UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JURY DEMANDED

PETER COLLINS

Plaintiff, CIVIL ACTION NO.: 1:16-cv-08741

v.

RAOUL FELDER, RAOUL FELDER & PARTNERS, PC, DANIEL B. NOTTES, HOWARD BENJAMIN, NICHOLAS R. PERRELLA AND FUAT SARAYLI

Defendants,

NOVEMBER 10, 2016

COMPLAINT

As and for his Complaint, the Plaintiff, Peter Collins, hereby allege as follows:

THE PARTIES

1. The Plaintiff, Peter Collins (hereinafter interchangeably "Plaintiff" and "Collins"), is an individual and a resident of the State of Connecticut.
2. The Defendant Raoul Felder (hereinafter "Felder"), is an individual and upon information and belief a resident of the State of New York.
3. The Defendant Raoul Felder & Partners, PC (hereinafter "Felder PC") is a New York corporation with a principal place of business in New York City.

4. The Defendant Daniel B. Nottes (hereinafter "Nottes"), is an individual and upon information and belief is a resident of the State of New York.

5. The Defendant Howard Benjamin (hereinafter "Benjamin"), is an individual and upon information and belief is a resident of the State of New York.

6. The Defendant Nicholas R. Perrella (hereinafter "Perrella"), is an individual and upon information and belief is a resident of the State of New Jersey.

7. The Defendant, Fuat Sarayli, (hereinafter "Sarayli), in an individual and upon information and belief is a resident of the State of New York.

JURISDICTION AND VENUE

8. The court has jurisdiction over this case pursuant to 28 U.S.C. 1332.

9. Venue is appropriate in this Court pursuant to 28 U.S.C. § 1391 because a substantial part of the events and omissions took place in New York and pursuant to 15 U.S.C. § 22 because each of the defendants transacts business, as those terms are defined by 15 U.S.C. § 22, within the Southern District of New York.

UNDERLYING FACTS

10. 400 West 14th, Inc., (hereinafter "400 West") is a New York corporation. 400 West was formed in 1996. 400 West has always had four (4) shareholders: William Reddy (hereinafter "Reddy"), Matthew Reines (hereinafter Reines); David Curran (hereinafter Curran), and Collins.

11. 400 West was formed in 1996 and operated the Gaslight, a successful bar on West 14th Street, New York City.

12. During the year 2012 disputes arose between the shareholders.

13. On or about March 4, 2013, Collins and Reines brought an action individually and derivatively on behalf of 400 West against Reddy and Curran in the New York Supreme Court.

14. On or about May 13, 2013 that matter was transferred by the New York Supreme Court to the American Arbitration Association.

15. On or about March 12, 2013 and without disclosing to Collins or Reines; Reddy and Curran on behalf of Gaslight requested entry into the Domestic Voluntary Disclosure Program and engaged a forensic accountant and tax counsel to prepare and file amended corporate tax returns, K-1s and the shareholders personal returns for 2006 and 2012.

16. On or about May 8, 2013, without disclosing to Collins and Reines, Reddy and Curran were accepted into the Voluntary Disclosure Program at the Internal Revenue Service.

17. On or about August 2013 Sarayli was hired to perform forensic accounting services on behalf of Plaintiff.

18. On or about November 1, 2013 Reddy and Curran's attorney sent formal notice that Reddy and Curran filed amended corporate federal income and payroll tax returns on October 25, 2013 in connection with their voluntary disclosures.

19. The Arbitration hearings commenced March 10, 2014 and concluded on July 8, 2014.

20. After eleven (11) days of hearings and submissions, all of the Plaintiff's claims both individually and derivatively on behalf of the corporation were denied.

21. Felder, Benjamin and Felder PC commenced representation of Collins on or about April 9, 2013.

22. Nottes, Felder, and Felder PC represented Collins through at least November 13, 2014.

23. Benjamin represented the Plaintiff from April 9, 2013 until at least January 2015.

24. Perrella represented the Plaintiff for a brief time in 2013 and then again from January through March 2014.

25. Sarayli performed forensic accounting services for the Plaintiff from August 2013 until at least March 2014.

COUNT I (Legal Malpractice – against Felder, Benjamin, Nottes and Felder PC)

26. The Plaintiff repeats and realleges the foregoing paragraphs, as if fully set forth herein.

27. In undertaking the representation of the Plaintiff in the Arbitration matter, the Defendants' Felder, Benjamin, Nottes and Felder PC agreed to represent the Plaintiff and perform their representation with the skill and diligence in accordance with the standard of care for lawyers performing such work in the State of New York and that among other things that they would properly protect all of the Plaintiffs' interest in the arbitration matter and handle correctly all aspects of the arbitration matter.

28. Acting primarily by Nottes and Benjamin and supervised by Felder, Felder PC law firm proceeded with its representation in the arbitration matter.

29. The Plaintiff's attorneys' Felder, Nottes, Benjamin and Felder PC were responsible for legally representing the Plaintiffs in all aspects of his arbitration matter for which they were retained and undertook representation.

30. The Defendants Felder, Nottes, Benjamin and Felder PC did not represent the Plaintiff in accordance with the standard of care for lawyers in the State of New York.

31. As a result of the failure of the Defendants to represent the Plaintiff in accordance with the standard of care for lawyers in the State of New York, the Plaintiff has been damaged and continues to be damaged in the amount of at least $1,600,000 or such other amount to be determined at trial.

32. The damage to the Plaintiff was proximately caused by the negligence and carelessness of the Defendants including, but in no way limited to, one or more of the following ways:

   a. Failure to identify and/or hire a forensic accountant capable of doing proper and effective forensic accounting;
   b. Failure to identify and/or hire a forensic accountant who could have uncovered and established falsities of the amended tax returns for the years 2006 to 2012;
   c. Failure to properly select arbitrators;
   d. Failure to produce sufficient evidence concerning and discrediting the information of the amended 2006 to 2012 tax returns;
   e. Failure to identify, put together and present sufficient evidence of theft and financial improprieties of the Respondents in the arbitration;
   f. Failure to put together and present sufficient evidence concerning the misappropriation of Gaslight funds to pay for Reddy's personal credit card charges and credit card reward points kept for Reddy's personal use;
   g. Failure to properly manage the forensic accountant;

h. Failure to file sufficient and effective legal opposition to the pleadings filed by the Respondents;

i. Permitting Nottes who was inexperienced, to assume the key role in the representation, submissions and filings;

j. Failure to properly identify, document, prepare and present evidence concerning over $4,000,000.00 in unreported cash to 941 employees and independent contractors;

k. Failure to depose Curran;

l. Abandoning legal representation of the Plaintiff to an unqualified inexperienced attorney; and

m. Abandoning legal representation of the Plaintiff and not severing the attorney client relationship during an ongoing arbitration.

COUNT II (Legal Malpractice – against Benjamin)

33. The Plaintiff repeats and realleges the foregoing paragraphs, as if fully set forth herein.

34. On or about November 14, 2013, Plaintiff engaged, retained and employed Benjamin to represent him in the arbitration matter.

35. Benjamin accepted the employment and commenced individually working on the arbitration matter.

36. In undertaking the representation of the Plaintiff in the Arbitration matter, the Defendant Benjamin, agreed to represent the Plaintiff and perform representation with the skill and diligence in accordance with the standard of care for lawyers performing such work in

the State of New York and that among other things that he would properly protect all of the Plaintiff's interest in the arbitration matter and handle correctly all aspects of the arbitration matter.

37. The Plaintiff's attorneys' Defendant Benjamin was responsible for legally representing the Plaintiffs in all aspects of his arbitration matter for which he was retained and undertook representation.

38. The Defendant, Benjamin did not represent the Plaintiff in accordance with the standard of care for lawyers in the State of New York.

39. As a result of the failure of the Defendant to represent the Plaintiff in accordance with the standard of care for lawyers in the State of New York, the Plaintiff has been damaged and continues to be damaged in the amount of at least $1,600,000 or such other amount to be determined at trial.

40. The damage to the Plaintiff was proximately caused by the negligence and carelessness of the Defendant including, but in no way limited to, one or more of the following ways:

   a. Failure to hire a forensic accountant capable of doing the proper forensic accounting to support Plaintiff's case and interest;

   b. Failure to hire a forensic accountant who could have showed, uncovered and established falsities of the amended tax returns for the years 2006 to 2012;

   c. Failure to obtain proper and reliable forensic accountants.

   d. Failure to obtain affidavits and to hire expert witnesses to explain daily sales and revenue operations in the restaurant bar business;

e. Failure to produce sufficient evidence concerning and discrediting the information of the amended 2006 to 2012 tax returns;

f. Failure to identify, put together, and present sufficient evidence of theft and financial improprieties of the Respondents in the arbitration;

g. Failure to identify, put together and present sufficient evidence concerning the misappropriation of Gaslight funds to pay for Reddy's personal credit card charges and credit card reward points kept for Reddy's personal use;

h. Failure to properly manage and utilize the forensic accountant;

i. Failure to file sufficient and effective legal opposition to the pleadings filed by the Respondents;

j. Failure to properly identify, document, prepare and present evidence concerning over $4,000,000.00 in unreported cash as to employees and independent contractors;

k. Failure to depose Curran;

l. Failure to properly and effectively communicate with Plaintiff;

m. Failure to put together a proper and effective witness list;

n. Failure to properly and effectively vet discovery and documents from the corporate attorney and corporate accountant;

o. Failure to alert the people to the improper behavior of Respondent's counsel;

p. Failure to properly and effectively cross examine Reddy;

q. Failure to effectively prepare the Plaintiff for testifying;

r. Failure to speak to and effectively prepare witnesses before their testimony;

s. Failure to read daily testimony and in addition to make appropriate corrections;

t. Failure to properly and effectively prepare summaries to the arbitration panel;

u. Failure to hire a forensic accountant and other expert witnesses to refute claims that Plaintiff was misappropriating money;

v. Failure to properly and effectively examine Respondent's forensic accountant;

w. Failure to organize and properly and effectively present forensic evidence; and

x. Failure to effectively present evidence concerning phantom employee.

COUNT III (Legal Malpractice – against Perrella)

41. The Plaintiff repeats and realleges the foregoing paragraphs, as if fully set forth herein.

42. On or about November 14, 2013, Plaintiff became engaged, retained and employed Perrella to represent him in the arbitration matter.

43. Perrella accepted the employment and commenced individually working on the arbitration matter.

44. In undertaking the representation of the Plaintiff in the Arbitration matter, the Defendant Perrella agreed to represent the Plaintiff and perform his representation with the skill and diligence in accordance with the standard of care for lawyers performing such work in the State of New York and that among other things that he would properly protect all of the Plaintiff's interest in the arbitration matter and handle correctly all aspects of the arbitration matter.

45. The Defendant Perrella was responsible for legally representing the Plaintiff in all aspects of his arbitration matter for which he was retained and undertook representation.

46. The Defendant Perrella did not represent the Plaintiff in accordance with the standard of care for lawyers in the State of New York.

47. As a result of the failure of the Defendant Perrella to represent the Plaintiff in accordance with the standard of care for lawyers in the State of New York, the Plaintiff has been damaged and continues to be damaged in the amount of at least $1,600,000 or such other amount to be determined at trial.

48. The damage to the Plaintiff was proximately caused by the negligence and carelessness of the Defendant including, but in no way limited to, one or more of the following ways:

   a. Abandoning Plaintiff during an arbitration; and

   b. Failure to properly prepare to conduct the arbitration hearing.

COUNT IV (Accountant Malpractice – against Sarayli)

49. The Plaintiff repeats and realleges the foregoing paragraphs, as if fully set forth herein.

50. On or about August 2013, the Defendant Sarayli begain providing forensic accounting services to the Plaintiff.

51. Sarayli accepted the employment and commenced individually working on the arbitration matter.

52. In undertaking to perform forensic accounting services for Plaintiff in the Arbitration matter, the Defendant Sarayli, agreed to perform forensic accounting services with the skill and diligence in accordance with the standard of care for forensic accountants performing such work in the State of New York and that among other things that he would properly assemble forensic accounting information for the arbitration matter.

53. The Defendant, Sarayli did not perform forensic accounting services in accordance with the standard of care for accountants in the State of New York.

54. As a result of the failure of the Defendant to perform forensic accounting services for the Plaintiff in accordance with the standard of care for forensic accountants in the State of New York, the Plaintiff has been damaged and continues to be damaged in the amount of at least $1,200,000 or such other amount to be determined at trial.

55. The damage to the Plaintiff was proximately caused by the negligence and carelessness of the Defendant including, but in no way limited to, one or more of the following ways:

a. Failure to properly analyze and effectively present tax issues concerning the Plaintiff and the Respondents.

b. Failure to properly analyze and effectively present accounting issues concerning the Plaintiff and the Respondents.

THE PLAINTIFF,

BY ______________________________

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